

Paull Shin

E-Newsletter - 21st District, Edmonds

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21st Legislative District

February 24, 2009

Dear Neighbors,

The state budget situation we face is unprecedented. I hear your concerns and feel your pain in this time of economic struggle. I believe one of the most important steps forward is open communication and helping one another in the ways we can.

In this e-newsletter, I have focused on common budget misconceptions vs. reality. This is the first in a planned series of e-newsletters informing you about our budget. I hope learning about this process will help connect you to the work we are doing in Olympia.

Please visit the Senate Democratic website for more detailed information: SenateDemocrats.wa.gov/issues/budget/

Warm Regards,

Sen. Paull H. Shin

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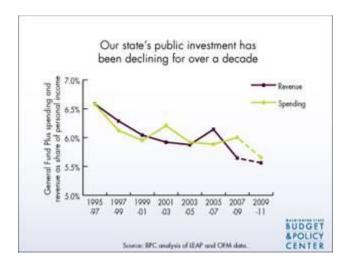
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Budget myth # 1: The Governor and the Legislature are to blame for Washington's budget shortfall.

Budget reality: The Governor and the Legislature have doubled the state average of total annual reserves in each of the last three years. Forty-six states currently face budget shortfalls, totaling \$350 billion over the next two years.

Budget myth #2: Washington's budget shortfall is the result of overspending.

Budget reality: State spending as a share of personal income has been declining for over a decade.



Budget myth #3: State spending in 2005 is the appropriate level for state spending today. **Budget reality:** With an increase in population, inflation, service costs—and despite disappearing federal dollars—Washington has made record investments in education, health care, public safety and the environment over the past four years. But, no one believes our kids are too educated, our families too healthy, our communities too safe, or our air and water too clean.

Budget myth #4: We can simply cut waste and inefficiency in government and do more with less.

Budget reality: Washington ranks as the best-managed state in the nation, according to the Pew Center on the States in 2008. In 2003–05, the last time we used a cuts-only approach to address a serious shortfall, the state cut health care for 20,000 people, eliminated dental care for low-income adults, and froze funding for better teachers and smaller classrooms. We face similar choices now. A cuts-only budget means we do less with less.

Budget myth #5: Cutting human services creates costs savings.

Budget reality: Cutting needed human services—such as health care and mental health treatment—doesn't eliminate the need. In most cases, it exacerbates the need, and increases the costs—both financial and human—down the road.

Budget myth #6: The federal stimulus plan will bail out our state budget. **Budget reality:** The federal stimulus funds will optimistically help with about a *quarter* of Washington's budget shortfall.

Stay tuned for more.